



**Irish Life**

PENSIONS • INVESTMENTS • LIFE INSURANCE

# FAQ: Impact of State Pension Changes on AMRFs

## PENSION ADVISORY SERVICES

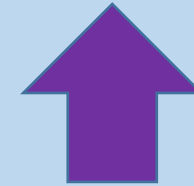
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# SOCIAL WELFARE CHANGES



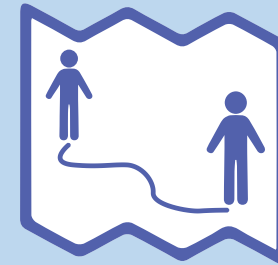
## SOCIAL WELFARE €5 INCREASE

State Pension (Contributory) €12,911 from March 2019



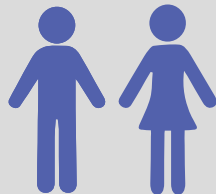
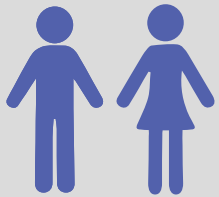
### AMRF / €12,700 Guaranteed Income Requirement

- Full rate State Pension now exceeds €12,700 requirement
- 100% Christmas bonus restored for 2018
- Those receiving full rate State Pension cannot have AMRF
- AMRF will change to ARF in 2018 – no new policy needed
- Such clients need to provide evidence of State Pension
- AMRF remains for some, e.g. if below State Pension age and no other pension or not on full rate State Pension



# IMPACT ON EXISTING AMRFs / VESTED PRSAs

- Christmas Bonus will be paid to everyone receiving State Pension
- Those on full rate State Pension (Contributory) now meet the €12,700 requirement
- AMRFs automatically become an ARF
- Vested PRSAs no longer required to hold a restricted fund

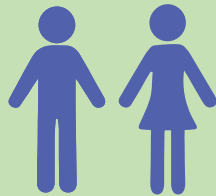
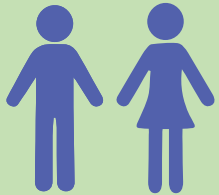


## Action Required

- Clients need to provide evidence of their pension income, e.g.
  - Letter or email from Social Welfare
  - An Post receipt
- Evidence must clearly show the personal rate State Pension being paid
- On receipt, Irish Life will convert existing AMRF to ARF
- New contract is not required

# IMPACT ON CLIENTS RETIRING NOW

- Clients 66+ and receiving full rate State Pension (Contributory) will meet the €12,700 requirement
- Can invest directly into an ARF
- No requirement to
  - Invest €63,500 in an AMRF
  - Use €63,500 to purchase an annuity
  - Hold €63,500 as restricted fund in a vested PRSA



## Action Required

- Clients must provide evidence of their pension income along with ARF application , e.g.
  - Letter or email from Social Welfare
  - An Post receipt
- Evidence must clearly show the personal rate State Pension being paid

# OTHER PENSION PAYMENTS ACCEPTED

- The following pension & Social Welfare payments also count towards the €12,700 guaranteed income requirement
  - Occupational Pension / Annuity Income
  - Living Alone Allowance
  - Island Allowance
  - Widow, Widower, Surviving Civil Partner's Pension
  - Invalidity Pension
  - Blind Pension



## Action Required

- Clients must provide evidence if they are in receipt of any of these payments, e.g.
  - Confirmation of annual income from scheme / annuity provider
  - Letter or email from Social Welfare
  - An Post receipt
- Evidence of Social Welfare payments must show the payment type and amount being paid to the client





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